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TAGS: [UNSC](#) [ETTC](#) [PREL](#) [PGOV](#)  
SUBJECT: TREASURY A/S O'BRIEN MEETS CTC CHAIRMAN LOJ

Classified By: Deputy Political Counselor Molly Phee,  
for Reasons 1.4 (B and D)

¶1. (C) SUMMARY: The UN Counter-Terrorism Committee's (CTC) primary responsibility was to build a truly international coalition in the fight against terrorism by ensuring that less developed States were not "left behind," explained CTC Chairman Loj during her meeting with Treasury Assistant Secretary O'Brien. In addition, Chairman Loj asked for U.S.

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assistance in convincing China to allow the CTC to endorse FATF recommendations as a best practice. A/S O'Brien underlined the importance of the FATF recommendations and assured Loj that the U.S. would continue to press China to support FATF in all international fora, including at the UN. A/S O'Brien highlighted FATF's special recommendation three (of nine special recommendations on terrorist financing) to construct national asset freezing mechanisms, and he urged the CTC to focus more energy toward this aim. Loj accepted A/S O'Brien's offer to send a Treasury team to New York to follow up with CTC and its expert group, the Counter-Terrorism Executive Directorate (CTED). END SUMMARY.

¶2. (C) Treasury Assistant Secretary for Terrorist Financing Pat O'Brien visited New York on March 29 and met with the UN Counter-Terrorism Committee (CTC) Chairman, Danish Permanent Representative, Ellen Margerethe Loj. Chairman Loj began the discussion by explaining her vision of the CTC's primary mandate. She explained that immediately after the September 11 attacks, the West moved extremely quickly to fight terrorism. Less developed States had a difficult time "keeping up" with the global war on terror, often because of lack of resources.

¶3. (C) Loj believed the CTC's main goal was to help make the war on terror a truly global endeavor by facilitating efforts to provide technical assistance to those countries in need, especially in Asia, Africa, and South America. A/S O'Brien agreed that facilitating technical assistance was vital and also noted the recent MENA-FATF conference in Cairo, where there was a private sector exchange between U.S. and Arab bankers.

¶4. (C) With regard to the issue of non-compliance, Loj stated the CTC was focused on "monitoring" implementation of resolution 1373, not on "jumping to judgments" about States' compliance. She argued that if the CTC were meant to report on non-compliance, then resolution 1373 would have been drafted differently.

¶5. (C) Chairman Loj made reference to the revised Preliminary Implementation Assessment (PIA) - now in matrix form to help standardize information gathered by CTED - which would likely initiate a serious discussion on who is and who is not fulfilling the "freeze without delay" component of resolution

¶1373. The new PIA would also likely serve as a useful guide in determining who requires technical assistance to bring them into compliance with resolution 1373.

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FATF BEST PRACTICES AND CHINA  
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¶16. (C) Chairman Loj explained the CTC was currently engaged in an important discussion on best practices and she lamented China's hard-line opposition to the endorsement of the FATF recommendations. Chairman Loj stated that China's position regarding FATF was slowing the CTC's general discussion on best practices and threatened to foil any agreement. A/S O'Brien agreed to explore ways to press China to change its position. He highlighted the importance of FATF recommendation three to construct national asset freezing mechanisms and urged the CTC to focus more energy on resolution 1373's call on States to "freeze without delay" terrorist assets.

¶17. (C) A/S O'Brien offered to send a team to New York to follow up on Treasury's January meetings with CTED and the CTC. The goal of the proposed visit would be to discuss further resolution 1373's "freeze without delay" provisions. Chairman Loj emphasized that follow-up was always positive and accepted A/S O'Brien's offer.

¶18. (U) This cable has been cleared by Treasury A/S O'Brien.  
BOLTON